

1, 1950, in which the Secretary of State finds and so notifies the Secretary of the Treasury that United States fishing vessels engaged in the North Pacific halibut fishery only are granted comparable privileges in ports of British Columbia.

Approved June 19, 1948.

[CHAPTER 550]

AN ACT

To transfer certain land in Langlade County, Wisconsin, to the United States Forest Service.

June 19, 1948

[H. R. 6113]

[Public Law 719]

Langlade County,  
Wis.  
Transfer of land.

16 U. S. C. §§ 552,  
563, 513-519, 521, 480,  
500.

Use of land.

Nonliability.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That upon the written consent of the majority of directors, Wisconsin Rural Rehabilitation Corporation, the Secretary of Agriculture is hereby directed to convey, grant, transfer, and quitclaim forthwith to the United States, for subsequent administration as a part of the Nicolet National Forest and subject to the rules and regulations applicable to national-forest lands acquired under the Act of March 1, 1911 (36 Stat. 961), as amended, all right, title, claim, interest, equity, and estate in and to the following-described lands administered by the Secretary as trustee, under an agreement of transfer dated May 16, 1937, with the Wisconsin Rural Rehabilitation Corporation, and situated in the county of Langlade, State of Wisconsin, together with the improvements thereon and the rights and the appurtenances thereunto belonging or appertaining: Township 33 north, range 9 east, fourth principal meridian, section 16, northwest quarter, north half northeast quarter, southwest quarter northeast quarter, and north half south half; section 17, northeast quarter; section 22, east half northwest quarter.

SEC. 2. The Chief of the Forest Service is hereby directed to utilize, insofar as practicable, the property transferred pursuant to this Act as an experimental and demonstration forest. Such use is found to be in the general interest of rural rehabilitation.

SEC. 3. Any such transfer shall not be deemed to impose any liability upon the Secretary of Agriculture with respect to his obligation under such agreement to transfer of May 16, 1937.

Approved June 19, 1948.

[CHAPTER 551]

AN ACT

To amend title I of the Bankhead-Jones Farm Tenant Act, as amended, so as to increase the interest rate on title I loans, to provide for the redemption of non-delinquent insured mortgages, to authorize advances for the preservation and protection of the insured loan security, and for other purposes.

June 19, 1948

[H. R. 6114]

[Public Law 720]

Bankhead-Jones  
Farm Tenant Act,  
amendment.

50 Stat. 523.  
7 U. S. C. § 1003 (b)  
(2).

60 Stat. 1076.  
7 U. S. C. § 1005b  
(c) (1).

60 Stat. 1076.  
7 U. S. C. § 1005b  
(e) (1).  
Collection of charges.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sections of title I of the Bankhead-Jones Farm Tenant Act, as amended, are hereby amended as follows:

SEC. 1. Amend subsection (b) (2) of section 3 to read:

“(2) provide for the payment of interest on the unpaid balance of the loan at the rate of 4 per centum per annum;”.

SEC. 2. Amend subsection (c) (4) of section 12 to read:

“(4) the mortgage instruments shall comply with section 3 (b), except that the base rate of interest shall be 3 per centum per annum;”.

SEC. 3. Amend subsection (e) (1) of section 12 to read:

“The Secretary shall collect from the mortgagor for mortgage insurance an annual charge at the rate of 1 per centum of the outstanding principal obligation of the mortgage; the initial charge

shall be collected simultaneously with the insurance of the mortgage and shall cover the period from the date of loan closing to the date of the first installment payable on the loan; the next and each succeeding charge shall be computed on the outstanding principal obligation remaining unpaid after the due date of each installment payable on the loan, and shall be payable on or before the next succeeding due date of an installment of principal and interest. If the principal obligation of the mortgage is paid in full in less than five years after the time when the mortgage was entered into, the Secretary may require payment by the mortgagor of the entire annual charge computed for the year then current, and an additional charge equal to the annual charge for such year. The Secretary may modify existing contracts so as to require future payments thereunder in accordance with the provisions of this section."

SEC. 4. Amend subsection (f) of section 12 by striking out subsections (2) and (3), and inserting in lieu thereof the following new subsections (2), (3), and (4).

"(2) If the mortgagor has failed to pay to the Secretary the full amount of any installment on or before the due date thereof, the Secretary shall pay promptly the unpaid amount of such installment of principal and interest to the mortgagee, less the amount of any previous prepayments except payments from proceeds from the voluntary or involuntary sale of any part of the mortgaged property or from royalties from leases under which the value of the security is depreciated.

"(3) If the mortgagor fails to pay any amounts due for taxes, special assessments, water rates, and other amounts which may become liens prior to the mortgage, and any amounts due for property insurance premiums, such amounts may be paid by the Secretary, either before or after assignment of the insured mortgage to the Secretary, for the account of the mortgagor as provided in paragraph (4) below.

"(4) Payments by the Secretary under paragraphs (2) and (3) shall be advanced out of the fund for the account of the mortgagor. Such advances shall be repaid to the fund out of the first available collections received from the mortgagor. Such advances shall bear interest at the rate fixed in the insured mortgage payable out of any subsequent collections, and, until repaid, the advance and interest thereon shall be added to subsequent installments."

SEC. 5. Amend section 12 by adding at the end thereof the following new subsection (j).

"(j) The Secretary is authorized to enter into agreements from time to time with the holder of a mortgage heretofore or hereafter insured under this title that any holder thereof, at the holder's option, shall be entitled, upon assignment of such mortgage to the Secretary within one year after the expiration of a period fixed by such agreement, to have the mortgage purchased by the Secretary even though the mortgage is not then in default, provided the initial fixed period shall be not less than five years from the date of the insured mortgage. Such assignment shall be accomplished in the same manner and the value of such mortgage shall be determined on the same basis as provided by section 13 for mortgages in default. The Secretary may purchase any such mortgage with moneys in the fund and may sell it at its value likewise determined in accordance with section 13 at the time he sells it, and reinsure it, if necessary, or he may retain it for the account of the fund until the indebtedness is discharged through refinancing by the mortgagor, by foreclosure, or otherwise. The value of all such mortgages retained for the fund as herein provided shall not be included in computing the aggregate amount of mortgage obligations that may be insured in any one fiscal year, as provided in section 12 (b). If there should not be sufficient cash in the fund to enable the Secretary to make payments to purchase

60 Stat. 1077.  
7 U. S. C. § 1005b (f).

Failure of mortgagor to pay amount due.

Failure of mortgagor to pay special taxes, etc.

Advances.

60 Stat. 1076.  
7 U. S. C. § 1005b.

Assignment of mortgage, etc.

60 Stat. 1077.  
7 U. S. C. § 1005c.

60 Stat. 1076.  
7 U. S. C. § 1005b (b).

mortgages as provided in this subsection, in order to obtain funds to make such payments notes may be issued and purchased in the same manner as provided in section 13."

60 Stat. 1078.  
7 U. S. C. § 1005d.

SEC. 6. Amend subsection (a) of section 14 by adding at the end thereof the following sentence: "Expenses and fees incident to foreclosure may be advanced out of the fund for the account of the mortgagor."

SEC. 7. Amend subsection (b) of section 14 to read:

50 Stat. 531.  
7 U. S. C. §§ 1025,  
1024.

"(b) Amounts realized under section 51 on account of property which was subject to an insured mortgage shall be deposited in the fund. Amounts payable by the Secretary under section 50 with respect to such property, and any necessary costs and expenditures for the operation, preservation, and protection of such property, shall be paid out of the fund."

Approved June 19, 1948.

#### [CHAPTER 552]

#### AN ACT

To authorize the extension of leases of certain land in the Territory of Hawaii.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That where a lessee of water-front lands in the Territory of Hawaii under lease on April 1, 1946, has spent substantial sums in repairing or replacing improvements on such lands damaged or destroyed by the tidal wave of that date, then notwithstanding any provision of the Organic Act of Hawaii (31 Stat. 141), as amended, or of the laws of the Territory of Hawaii, the Commissioner of Public Lands of the Territory of Hawaii, at the request of the lessee, in his discretion may extend the term of the lease at the original rental: *Provided*, That no lease is extended beyond March 31, 1967.

Approved June 19, 1948.

#### [CHAPTER 553]

#### AN ACT

To authorize the establishment of internships in the Department of Medicine and Surgery of the Veterans' Administration.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That subsection (b), section 14, of the Act of January 3, 1946 (59 Stat. 679; 38 U. S. C. 15m (b)), is hereby amended to read as follows:

"(b) The Administrator shall have authority to establish residencies and internships; to appoint qualified persons to such positions without regard to civil-service or classification laws, rules, or regulations; and to prescribe the conditions of such employment, including necessary training, and the customary amount and terms of pay during the period of such employment and training."

Approved June 19, 1948.

#### [CHAPTER 554]

#### AN ACT

To amend the provisions of title VI of the Public Health Service Act relating to standards of maintenance and operation for hospitals receiving aid under that title.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That subsection (d)

June 19, 1948  
[H. R. 6229]  
[Public Law 721]

Hawaii.  
Extension of lease of  
certain land.

48 U. S. C. § 493  
note.

Expiration date.

June 19, 1948  
[H. R. 6234]  
[Public Law 722]

Veterans' Adminis-  
tration.

Internships, etc.

June 19, 1948  
[H. R. 6339]  
[Public Law 723]

Public Health Serv-  
ice Act, amendment.